

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

JOSEPH DEANGELIS, *et al.*,

Plaintiffs,

vs

JON S. CORZINE, *et al.*,

Case No. 11-CIV-7866 (VM)

ECF CASE

THIS DOCUMENT RELATES TO:

All Securities Actions

The Commodities Customer Class Action

*Tavakoli, as Litigation Trustee of the MF Global
Litigation Trust v. Corzine et al.*

-and-

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re

MF GLOBAL HOLDINGS LTD., et al.,

Debtors.¹

Chapter 11

Case No. 11-15059 (MG)

(Jointly Administered)

**SUPPLEMENT TO THE ESTATE MOVANTS' MOTION (A) FOR ENTRY OF AN
ORDER SCHEDULING A COMBINED HEARING TO APPROVE (I) THE GLOBAL
SETTLEMENT AMONG THE PLAN ADMINISTRATOR, LITIGATION TRUSTEE,
CUSTOMER REPRESENTATIVES AND CERTAIN INDIVIDUAL DEFENDANTS NAMED IN
THE MDL WITH (II) THE FINAL APPROVAL HEARING OF THE SECURITIES
SETTLEMENT, (B) FOR RECONSIDERATION OF THE DECISION AND ORDER GRANTING
FINAL APPROVAL; AND (C) RELATED RELIEF**

¹ The debtors in the chapter 11 cases (the "Chapter 11 Cases") are MF Global Holdings Ltd.; MF Global Finance USA Inc.; MF Global Capital LLC; MF Global Market Services LLC; MF Global FX Clear LLC; and MF Global Holdings USA Inc. (collectively, the "Debtors").

MF Global Holdings Ltd., as Plan Administrator and Nader Tavakoli, as Trustee of the Litigation Trust (together with the Plan Administrator, “Estate Movants”), and (ii) co-lead counsel for the Customer Representatives (collectively with the Estate Movants, “Movants”), by and through their undersigned counsel, hereby submit this Supplement to the *Motion (A) For Entry Of An Order Scheduling A Combined Hearing To Approve (I) The Global Settlement Among The Plan Administrator, Litigation Trustee, Customer Representatives And Certain Individual Defendants Named In The MDL With (II) The Final Approval Hearing Of The Securities Settlement, (B) For Reconsideration Of The Decision And Order Granting Final Approval; And (C) Related Relief* (the “MDL Settlement Motion”) [MDL Docket No. 1028; Ch. 11 Dkt No. 2169] filed on November 25, 2015, and respectfully states as follows:

1. As anticipated in the MDL Settlement Motion, Movants are filing this Supplement to confirm that a final term sheet embodying a Global Settlement has been executed by the Movants and all remaining individual defendants² in the above-referenced Estate-related MDL actions (*i.e.*, the *Commodities Customer Class Action* and *Tavakoli, as Litigation Trustee of the MF Global Litigation Trust v. Corzine et al.* (the “Estate-Related MDL proceedings”) (the “Defendants”). The parties’ agreement provides for a universal resolution of all the remaining MDL proceedings between Movants and Defendants, and provides for certain reserves and contingent obligations to address the claims brought by other plaintiffs against certain of these Defendants in the MDL which are not resolved by the Global Settlement. All parties have

² The six remaining Defendants are Jon S. Corzine, Henri Steenkamp, Bradley Abelow, Vinay Mahajan, David Dunne, and Edith O’Brien.

committed to have the Global Settlement finalized and approved by the Bankruptcy Court and the District Court promptly, subject to proper noticing requirements for the settled actions.

2. Given this Global Settlement, the Movants urge the District Court and Bankruptcy Court— for all the reasons stated in the MDL Settlement Motion—to schedule (i) a status conference to discuss a scheduling order with respect to the final approval of the Global Settlement in both the Bankruptcy Court and the District Court; and (ii) a joint hearing for the final approval of the Global Settlement and the Securities Settlement on a date and time convenient to both Courts.

3. Movants further request that the District Court *sua sponte*, or on this Motion, reconsider and withdraw the Court’s November 25 Decision (MDL Docket No. 1027) and its subsequent entry of Final Judgment (MDL Docket No. 1030) with respect the Individual Defendants’ Securities Settlement in the exercise of this Court’s discretion given the misunderstanding about the status of the parties’ having made “substantial progress” toward reaching global settlement.

4. Finally, Movants urge the Court to enter an immediate stay of all proceedings in the MDL while the parties work to promptly bring the Global Settlement on for final hearing.³ The request for a stay of all MDL proceedings is requested to enable all parties to focus on preparing the settlement and motion papers needed to obtain the approval of both the Bankruptcy Court and the District Court of this complex settlement. Conserving resources during this time period and not expending more fees for defense costs is a critical to all parties until the

³ If this request for relief is more properly directed to Magistrate Judge Francis, the parties are providing courtesy copies to Magistrate Judge Francis’ chambers.

settlement is finalized, and all parties agreed to request a stay of all MDL proceedings upon entering into the Global Settlement.

5. It should be noted that the only MDL matters not finally resolved by the Global Settlement are the *Sapere* action and the CFTC action. While the Global Settlement recognizes that the CFTC action (and possibly the *Sapere* action) may still have to be litigated, the parties submit that given that discovery has closed, extending the remaining deadlines in the MDL proceedings (which would have to be re-opened if the Global Settlement were for any reason not to be consummated) and re-setting them after the Global Settlement's final approval would serve the interests of efficiency and not unduly prejudice any party.

Dated: November 30, 2015
New York, New York

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